

**Senate File 2100 - Introduced**

SENATE FILE 2100

BY PETERSEN

**A BILL FOR**

1 An Act providing for participation in the Iowa educational  
2 savings plan trust by nonprofit organizations.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 12D.1, subsection 2, paragraph i, Code  
2 2016, is amended to read as follows:

3 *i. "Participant" means an individual, individual's legal*  
4 *representative, trust, ~~or~~ estate, or an organization described*  
5 *in section 501(c)(3) of the Internal Revenue Code and exempt*  
6 *from taxation under section 501(a) of the Internal Revenue*  
7 *Code, that has entered into a participation agreement under*  
8 *this chapter for the advance payment of higher education costs*  
9 *on behalf of a beneficiary.*

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with  
12 the explanation's substance by the members of the general assembly.

13 This bill adds tax-exempt, Internal Revenue Code §501(c)(3)  
14 nonprofit organizations as entities eligible to participate  
15 in the Iowa educational savings plan trust, also known as the  
16 Iowa college savings 529 plan. These organizations will now be  
17 eligible to open accounts for individual beneficiaries and make  
18 contributions for the future payment of higher education costs  
19 on behalf of those beneficiaries.